

Washington State Auditor's Office
Accountability Audit Report

City of Deer Park
Spokane County

Audit Period
January 1, 2003 through December 31, 2003

Report No. 67472

Issue Date
October 22, 2004



Washington _____
State Auditor

Brian Sonntag

Audit Summary

**City of Deer Park
Spokane County
January 1, 2003 through December 31, 2003**

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the City of Deer Park for the period January 1, 2003, through December 31, 2003.

We performed audit procedures to determine whether the City complied with state laws and regulations and its own policies and procedures. Our work focused on specific areas that have potential for abuse and misuse of public resources.

RESULTS

In most areas, the City complied with state laws and regulations and its own policies and procedures. However, we noted some issues we communicated to management. The City is committed to resolving the issues identified.

RELATED REPORTS

Our opinion on the City's financial statements and compliance on federal program requirements are provided in a separate report, which includes the City's financial statements.

CLOSING REMARKS

We appreciate the City's prompt attention to resolving prior audit issues and its commitment to ensuring compliance with conditions reported this audit. We thank City officials and personnel for their assistance and cooperation during the audit.

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Description of the City

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ABOUT THE CITY

The City of Deer Park was incorporated in 1889 and operates under a mayor-council form of government. The City provides over 3,000 citizens with services including water and sewer utilities, streets, parks and recreation, traffic engineering, planning economic development and general administrative services. The City contracts with Spokane County for police services. However, the City operates its own Municipal Court. Spokane County Fire Protection District No. 4 provides citizens of the City with fire suppression services and the Spokane County Library District provides library services. The City's budget for 2003 was approximately \$4.4 million. The City employs nine full-time and several part-time seasonal employees.

AUDIT HISTORY

We audit the City on an annual basis. This audit marked the second consecutive year in which no findings were reported for the City. This reflects the City's commitment to strong internal controls systems and compliance with applicable laws. We appreciate the City's positive and professional approach to the audit.

ELECTED OFFICIALS

These officials served during the audit period:

Mayor
City Council:

Michael D. Wolfe
Helen D. Cragun
Richard Heydet
Lucille Harmon
Don Stevens
Robert Whisman

APPOINTED OFFICIALS

City Clerk/Treasurer
Director of Community Services

Vickie L. Strong
Roger Krieger

ADDRESS

City

East 316 Crawford
P.O. Box F
Deer Park, WA 99006-0228
(509) 276-8802

Audit Areas Examined

City of Deer Park Spokane County January 1, 2003 through December 31, 2003

In keeping with general auditing practices, we do not examine every portion of the City of Deer Park's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the City were examined during this audit period:

ACCOUNTABILITY FOR PUBLIC RESOURCES

We evaluated the City's accountability in the following areas:

- Cash receipting (Municipal Courts)
- Purchase of goods and services
- Payroll

LEGAL COMPLIANCE

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Budgeting requirements
- Ethics/conflict of interest laws
- Allowable expenditures
- Open Public Meetings Act

FEDERAL PROGRAMS

We evaluated internal controls and tested compliance with federal program requirements, as applicable, for the City's major federal program, which is listed in the Federal Summary section of the financial statement and single audit report.

FINANCIAL AREAS

Our opinion on the City's financial statements is provided in a separate report. That report includes the City's financial statements and other required financial information. We examined the financial activity and balances of the City including:

- Cash and investments
- Revenues
- Expenditures
- Fund Balance
- Long-term debt
- Overall presentation of the financial statements
- Going concern and subsequent events